Policies relating to vehicles and personnel Accidents issued by insurance companies

2225. SHRI RADHAKRISHAN MALAVIYA: Will the Minister of FINANCE be pleased to state:

(a) whether policies relating to vehicles and personal accidents are issued by all general insurance companies several months after payment of premia, if so, the reasons therefor and steps taken to improve the situation; and

(b) whether a claimant in Government's service incapacitated from fracture of tibia plateau in May, 1996 was paid compensation by New India Assurance Company, Kanti Nagar Branch in Delhi only upto the date on which the plaster cast was removed as against the opinion of a highly qualified surgeon attending the claimant who did not find him fit to resume his duties for another two months, if so, reasons therefor and steps to provide due compensation to the claimant?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The General Insurance Corporation of India (GIC) has reported that all policy documents are issued within a reasonable time.

(b) The GIC has reported that the insured, Shri O. P. Gupta, met with an accident on 17.5.1996. The plaster was removed on 18.7.1996. As per the claim form, the attending doctor recommended a period of temporary total disablement for the period 18.5.1996 to 14.11.1996. However, the senior Medical Consultant opined that the claimant was able to put full weight load on 27.8.1996 and hence temporary disablement should be allowed only upto that date. Accordingly, compensation was allowed by the company upto 27.8.1996. The policy does not cover temporary partial disablement. The company has already settled his claim for temporary total disability and therefore, the question of paying further compensation to the claimant does not arise.

Residtntal NBFCs Recognised by RBI

2226. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) the number of so called Residual Non-Banking Financial Companies recognised by the Reserve Bank and the estimated volume of outstanding deposits collected by these companies from the public;

(b) the number of such companies which have collapsed in six years since 1991-92; and

(c) whether any measures are being contemplated by Government to regulate the activities of companies of this nature,

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Reserve Bank of India (RBI) have reported that as per the mailing list maintained by them, there were 559 Residuary Non-Banking Companies (RNBCs). However, only 33 RNBCs have submitted annual returns for the period ended March 31, 1996 (latest date for which figures are available). Based on the annual return on deposits filed by these 33 RNBCs, the deposit outstanding with them as on 31st March, 1996 was Rs. 6729.6 crores.

(b) According to RBI, 191 RNBCs have so far been prohibited by them from accepting deposits for contravention of the provisions of RNBCs (Reserve Bank) Directions, 1987.

(c) The Hon'ble Supreme Court in its judgement on Special Leave Petition filed by RBI in the case of Pearless General Finance and Investment Company Ltd., suggested to the Government, *inter-alia*, to consider creating a separate instrumentality which may be entrusted with the task of supervised and enforcement of the provisions regulating the functions of RNBCs and also to consider whether the existing provisions need to be further strengthen so as to give greater protection to the depositors and a Deposit Protection Scheme for the protec-